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November 13, 2001

Confidential Business Information
Deleted at Attachment B

PUBLIC VERSION

VIA E-MAIL

Ms. Gloria Blue
Executive Secretary
TPSC, Office of the USTR
600 17th Street, NW
Washington, DC 20508

Re: Request for Exclusion from any Remedies Imposed Pursuant to the
Section 201 Investigation of Certain Steel Products – Sheet and Strip
of High-Speed Steel

Dear Ms. Blue:

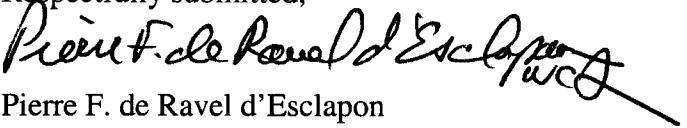
On behalf of our client, the ERAMET Group and its affiliate, Erasteel Inc., a U.S. producer and importer of high-speed steel, we hereby attach Erasteel's request that sheet and Strip of high-speed steel be excluded from any remedies imposed pursuant to the Section 201 steel investigation of certain steel. As set forth in the attachment, such products are not produced in the United States and any remedies imposed would most certainly injure the U.S. industries that are dependent on imports of sheet and strip of high-speed steel for use as inputs in their production process.

Confidential information contained in brackets in Attachment B has been deleted because public disclosure as release of such information would disclose confidential commercial information to the detriment of its affiliate, Erasteel Inc. Such information is not susceptible to public summary.

Ms. Gloria Blue
November 13, 2001
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Please do not hesitate to contact the undersigned should you have any questions regarding this submission.

Respectfully submitted,

A handwritten signature in black ink, reading "Pierre F. de Ravel d'Esclapon". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Pierre F. de Ravel d'Esclapon
William C. Sjoberg

Attachment

REQUEST FOR EXCLUSION FROM ANY REMEDIES IMPOSED PURSUANT TO THE SECTION 201 INVESTIGATION OF CERTAIN STEEL PRODUCTS

SHEET AND STRIP OF HIGH-SPEED STEEL

a. Commercial Name: Sheet and Strip of High-Speed Steel

Grades: AISI M1 (HS 2-9-1), AISI M2 (HS 6-5-2), AISI M42 (HS 2-9-1-8), ABC 111 (HS 3-3-2), E945 (HS 2-5-1-2), AISI M35 (HS 6-5-2-5), EV4 (HS-12-1-4), and ASP2023 (HS 6-5-3).

HTS No.: 7225.20.0000, 7225.20.2000, 7226.20.0000

b. Description: The high-speed strip coil and/or cut lengths for which we are requesting exclusion is manufactured in thickness with a range between 0.0118 and 0.157 in. and in width with a range between 0.236 and 4.000 in.

The high-speed steel sheet for which we are requesting exclusions ranges in thickness between .028 and 0.787 inches and a maximum width of 39.37 inches.

c. Basis for Requesting Exclusion: There is no U.S. production of sheet and cold rolled strip of high-speed steel. See Attachment wherein Hans Sack, President of Timken Latrobe Steel, states for the record before the International Trade Commission that “. . . it is a fact that [Timken has] chosen not to participate in certain product forms, such as edge wire [sic] or high speed strip for saw blades . . .” See also Attachment B for an affidavit from a U.S. consumer of strip of high-speed steel attesting to the fact that product is not produced in the United States. As a result, it should be readily apparent that limiting imports of that strip of high-speed steel would adversely affect U.S. industries that rely on those imports for use as raw material in the production process.

d. Names and Locations of Any Producers, in the United States and foreign countries, of the Product:

| <u>Name</u> | <u>Location</u> |
|----------------------|-----------------|
| Erasteel Commentry* | France |
| Erasteel Kloster AB* | Sweden |
| Bohler /Uddeholm | Austria |
| Lohman | Germany |
| Armco | Brazil |
| Nachi | Japan |
| Hitachi | Japan |

* member of the ERAMET Group

- e. **Total U.S. Consumption of the Product by Quantity (short tons) and Value (000s) for Each Year 1996 to 2000 and Projected Annual Consumption for Each Year from 2001 to 2005:**

| | 1996 | 1997 | 1998 | 1999 | 2000 |
|------|------|------|------|------|------|
| QTY. | 745 | 800 | 845 | 895 | 860 |
| VAL. | 5850 | 4750 | 6030 | 5700 | 6875 |

| | 2001 | 2002 | 2003 | 2004 | 2005 |
|------|------|------|------|------|------|
| QTY. | 850 | 825 | 840 | 855 | 870 |
| VAL. | 6800 | 6600 | 6720 | 6840 | 6960 |

Basis for the projections: Marketing analysis and knowledge of the industry.

- f. **Total U.S. Production of the Product for Each Year from 1996 to 2000:**

| | 1996 | 1997 | 1998 | 1999 | 2000 |
|------|------|------|------|------|------|
| QTY. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| VAL. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

- g. **The Identity of Any U.S.-Produced Substitute for the Product, Total U.S. Production of the Substitute for Each Year 1996 to 2000 and the Names of any U.S. Producers of the Substitute:** There is no U.S.-produced substitute for sheet and strip of high-speed steel.

ATTACHMENT A

UNITED STATES INTERNATIONAL TRADE COMMISSION

In the Matter of:

STEEL

)

) Investigation No.:

) TA-201-73

Pages: 1721 through 2161

Place: Washington, D.C.

Date: September 25, 2001

HERITAGE REPORTING CORPORATION

Official Reporters

1220 L Street, N.W., Suite 600

Washington, D.C. 20005

(202) 628-4888

1 You may hear today that, one, tool steel is an
2 insignificant part of our business; two, that U.S. products
3 do not compete with imports because U.S. tool steel is a
4 high end product; and three, that most U.S. tool steel
5 producers are not in support of relief. I completely
6 disagree with the arguments that have been raised.

7 First, as I mentioned earlier, tool steel is the
8 core product of our manufacturing operations at Timken
9 Latrobe Steel. Tool steel accounts for between 45 and 65
10 percent of our manufacturing business, depending on the
11 cyclical strength of our other business, the aerospace
12 business. Between 1992 and 1996, \$60 million were invested
13 in our tool steel operations.

14 \$40 million spent in capital investments between
15 1996 and 1999 also served in large measure to modernize our
16 tool steel operations. A \$20 million project to modernize
17 our rolling facility, which would firmly position us as a
18 global leader for tool steel bar and coil, has been delayed
19 since our recent market share and profit erosion makes
20 justification of this large investment very difficult, not
21 to mention our expectation of accelerating imports, unless
22 some trade remedy is provided.

23 The livelihood of 1,100 associates depends on the
24 tool steel business.

25 Second, while it is a fact that we have chosen not

1 to participate in certain product forms, such as edge wire
2 or high speed strip for saw blades, our tool steel products
3 do compete directly with imports. For example, Bohler, ERA,
4 and Gloria produce precisely the same type of high speed
5 tool steel that Timken produces. In addition, more and more
6 foreign producers are entering this market, notably from
7 newly developed countries, as well as the former Soviet
8 Union.

9 In addition to high speed tool steel, we retain
10 the capability to produce the full range of tool steels, but
11 indeed, we have focused on higher value niche grades,
12 because the import price levels make it uneconomical to
13 produce commodity grades.

14 The fact that we have been pushed out of segments
15 in the market by low-priced imports should not be construed
16 to mean that imports are not like products that do not
17 compete directly with ours. Rather, imports keep following
18 us into the higher value products progressively.

19 Third, I suggest that the Commission carefully
20 consider the position of other U.S. tool steel producers in
21 this proceeding. Some of these companies are the affiliates
22 of foreign producers, engaged only in value added operations
23 and warehousing. Others may have retreated to narrow niches
24 where indeed there is less import pressure.

25 In some cases, U.S. producers who have wanted to

ATTACHMENT B

IN RE: * IN THE
STEEL INVESTIGATION * INTERNATIONAL
* TRADE COMMISSION
* No. TA-201-73

* * * * *

DECLARATION OF JOSEPHINE FICKES

I, Josephine Fickes, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am over 18 years of age, am competent to testify, and have personal knowledge of the facts and matters set forth in this Declaration.
2. I am employed by Black & Decker (U.S.) Inc. ("Black & Decker") as Materials Manager for Black & Decker's Tampa, Florida manufacturing facility. I have held this position with Black & Decker since May of 1997.
3. Black & Decker is a corporation organized and existing under the laws of the State of Maryland. Black & Decker's principal place of business is located at 701 E. Joppa Road, Towson, Maryland 21286.
4. Black & Decker is a global manufacturer and marketer of quality power tools and accessories, hardware and home improvement products and technology-based fastening systems.
5. [

6. [

]

7. [

]

8. [

9. [

]

10. The information contained in the paragraphs of this Declaration that appear in brackets is confidential business information of Black & Decker and is being submitted subject to the administrative protective order governing this proceeding.

PUBLIC VERSION

I HEREBY DECLARE UPON PENALTY OF PERJURY THAT THE
FOREGOING IS TRUE AND CORRECT.

Date: September 6, 2001

Josephine Fickes
Josephine Fickes